

Statement of Vincent W. Powers, Assistant Administrator for
Personnel, Veterans Administration, before the Subcommittee
on Manpower Utilization and Departmental Personnel Manage-
ment of the Committee on Post Office and Civil Service

November 3, 1955

Mr. Chairman and members of the Committee, I am Vincent W. Powers, Assistant Administrator for Personnel. My associate from the Veterans Administration, here with me today, is Aaron Rosenthal, Director of our Internal Audit Service. On behalf of Mr. Harvey V. Higley, the Administrator of Veterans Affairs, may I state that the Veterans Administration welcomes this opportunity to appear before your Committee to outline our agency's approach to the subject of manpower utilization and to show you briefly what we have done about it.

At the outset I wish to state that the Administrator is in full accord with the basic objectives of the Committee, as previously announced by the Chairman, and has consistently favored the engineered approach to the reduction of manpower by elimination of unnecessary functions and duplication of effort. He has demonstrated this in the more than two years since he assumed the office of Administrator of Veterans Affairs. In the administration of our daily job of service to veterans, in accordance with the more than 300 laws and intent of the Congress, we are attempting on a continuing basis to meet our responsibility of doing our daily job better for less.

Our challenge as presented by the Administrator is, therefore, a continuing one. It is to get our job well done with maximum dispatch and minimum expense. To meet this challenge effectively we have established a systematic administrative review of our operations, a work measurement and performance standards program and an internal

Chapter 3 of our General Administrative Manual, entitled "Systematic Review of Programs and Operations", copies of which were supplied to you on October 19. As stated therein, responsibility for constantly improving the effectiveness of programs and the economy of operations is assigned to all levels from the Administrator to the immediate supervisor.

Our approach also includes the issuance of restrictions on the employment of personnel and the filling of vacancies. The Administrator has furnished the Committee with information as to restrictions currently in force, with his letters of October 19 and November 2. These restrictions were issued by the Administrator on February 26, 1954 with respect to field personnel and on November 7, 1954 covering Central Office personnel. During the period between June 30, 1953 and August 31, 1955, we have effected reductions in the number of personnel on duty as follows:

Central and Field Offices in the Washington Area -- 3,832, which is a reduction from a total of 10,895 to 7,063 employees.

Dept. of Veterans Benefits Field Offices -- 2,967, which is a reduction from a total of 25,002 to 22,035 employees.

Dept. of Insurance Field Offices -- 2,407, which is a reduction from a total of 7,379 to 4,972 employees.

This reduction was offset in part, however, by the necessary addition of 6,436 employees in the Department of Medicine and Surgery due to an increase in the number of operating hospital beds from 109,035 to approximately 120,000 during this same period. In this connection, it should also be explained that the Congress by appropriation

tion of an increasing number of patients. But during this period the ratio of employees to hospital beds has been consistently reduced from 110 employees to 105 per 100 patients. Yet in the face of this reduction we believe our medical service to veterans has been improved.

The Administrator has submitted to the Committee in his letters of October 19 and November 2 information as to the action taken by the Veterans Administration in the four-point program suggested by the Committee. Supplemental data on nine items requested by a member of your staff was furnished to him on October 20. And attached to the Administrator's letter of November 2nd is a copy of a memorandum entitled "Manpower Utilization" which he has issued to all department and staff office heads regarding the objectives and interest of this Committee in our use of manpower resources.

While the existing control programs of the Veterans Administration pertaining to manpower utilization are designed to attain the same general objectives of the Committee's program, our approach is developmental and continuing in character. These controls are related to our organization which consists, besides the staff offices, of three major operating departments having a total of 261 Regional Offices, Hospitals, Domiciliaries and District Offices located in every state throughout the nation. The Administrator holds every supervisory official accountable to consistently effectuate maximum economies and yet extend adequate and satisfactory service to veterans and their dependents. We believe that we can demonstrate that the Veterans Administration's accomplishments in this respect are effective and that our plan is consistent with the Committee's objective.

At this time, therefore, I request the Chairman's permission to have Mr. Rosenthal, Director of our Internal Audit Service, present in graphic form some data designed to show the character and scope of this problem in VA, the frame of reference in which it has been approached, what our accomplishments have been to date, and the highlights of our plans for the future.